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FEDERAL COMMUNICATIONS COMMISSION

WASHINGTON

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FEDERAL COMMUNICATIONS COMMISSION

OFFICE OF THE SECRETARY

Honorable Ernest F. Hollings Chairman, Committee on Commerce, Science and Transportation United States Senate 254 Russell Office Building Washington, D.C. 20510

Dear Chairman Hollings:

Thank you for your letter regarding recent cable television system rate increases and the assertion by some cable operators that these increases are a result of the Cable Act.

I believe the Commission has a clear understanding that Congress adopted the Cable Act of 1992 to constrain unreasonable cable rates and that citation of the Act itself as an excuse for increases, even prior to the effective date of most of its provisions, is entirely inconsistent with Congressional objectives.

The Commission is in the process of considering rules implementing the rate provisions of the law and is seeking public comment on those provisions that address rate rollbacks, refunds, and evasions of statutory requirements. A copy of the Commission's recently adopted Notice of Proposed Rule Making is enclosed. I am confident that the Commission will attempt to implement these provisions faithfully and that it will consider the conduct of the cable industry during the interim period in deciding what kind of rate regulation is needed.

Your letter will be placed in the record of this proceeding so that the Commission can be mindful of your concerns during its deliberations.

Sincerely,

Alfred C. Sikes Chairman

Enclosure

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JAN 1 / 1993

### THE CHAIRMAN

Honorable John D. Dingell Chairman, Committee on Energy and Commerce House of Representatives 2125 Rayburn Office Building Washington, D.C. 20515

Dear Chairman Dingell:

Thank you for your letter regarding recent cable television system rate increases and the assertion by some cable operators that these increases are a result of the Cable Act.

I believe the Commission has a clear understanding that Congress adopted the Cable Act of 1992 to constrain unreasonable cable rates and that citation of the Act itself as an excuse for increases, even prior to the effective date of most of its provisions, is entirely inconsistent with Congressional objectives.

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Sincerely.

Alfred C. Sikes Chairman



Honorable Edward J. Markey Chairman, Subcommittee on Telecommunications and Finance Committee on Energy and Commerce House of Representatives 316 Ford House Office Building Washington, D.C. 20515

Dear Chairman Markey:

Thank you for your letter regarding recent cable television system rate increases and the assertion by some cable operators that these increases are a result of the Cable Act.

I believe the Commission has a clear understanding that Congress adopted the Cable Act of 1992 to constrain unreasonable cable rates and that citation of the Act itself as an excuse for increases, even prior to the effective date of most of its provisions, is entirely inconsistent with Congressional objectives.

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Sincerely,

Alfred C. Sikes Chairman



JAN | 4 | 1993

Honorable Slade Gorton United States Senate 730 Hart Senate Office Building Washington, D.C. 20510

Dear Senator Gorton:

Thank you for your letter regarding recent cable television system rate increases and the assertion by some cable operators that these increases are a result of the Cable Act.

I believe the Commission has a clear understanding that Congress adopted the Cable Act of 1992 to constrain unreasonable cable rates and that citation of the Act itself as an excuse for increases, even prior to the effective date of most of its provisions, is entirely inconsistent with Congressional objectives.

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Sincerely,

Alfred C. Sikes

Chairman



JAN | 4 1993

Honorable Daniel K. Inouye Chairman, Subcommittee on Communications Committee on Commerce, Science and Transportation 227 Hart Office Building Washington, D.C. 20510

Dear Chairman Inouye:

Thank you for your letter regarding recent cable television system rate increases and the assertion by some cable operators that these increases are a result of the Cable Act.

I believe the Commission has a clear understanding that Congress adopted the Cable Act of 1992 to constrain unreasonable cable rates and that citation of the Act itself as an excuse for increases, even prior to the effective date of most of its provisions, is entirely inconsistent with Congressional objectives.

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Sincerely,

Alfred C. Sikes

Chairman



JAN 1 4 1993

Honorable John C. Danforth Ranking Minority Member Committee on Commerce, Science and Transportation United States Senate 554 Dirksen Office Building Washington, D.C. 20510

Dear Senator Danforth:

Thank you for your letter regarding recent cable television system rate increases and the assertion by some cable operators that these increases are a result of the Cable Act.

I believe the Commission has a clear understanding that Congress adopted the Cable Act of 1992 to constrain unreasonable cable rates and that citation of the Act itself as an excuse for increases, even prior to the effective date of most of its provisions, is entirely inconsistent with Congressional objectives.

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Alfred C. Sikes

Chairman

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KEVIN G, CURTIN, CHIEF COUNCIL AND STAFF DIRECTOR JONATHAN CHAMBERS, REPUBLICAN STAFF DIRECTOR

## United States Senate

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

**WASHINGTON, DC 20510-6125** 

December 9, 1992

MAB CATU-PV HANKE ACS

The Honorable Alfred C. Sikes Chairman Federal Communications Commission 1919 M Street, N.W. Washington, D.C. 20554

Dear Al:

The Cable Television Consumer Protection and Competition Act of 1992, which became law on October 5, 1992, has as its primary goal the protection of consumers against unreasonable cable rates. In what appears to be an attempt to evade the law, many cable companies are raising rates before the FCC's rate regulations are in place. Some cable operators have even asserted that their rate increases are a result of the Cable Act.

Those assertions are false. Nothing in the Act requires rate increases. To the contrary, the Act gives the FCC and local governments new authority to regulate rates.

The FCC also has authority under the Cable Act to order rate rollbacks and to take action to prevent cable operators from evading the rate regulation provisions of the law. We are writing to you to underscore that the FCC's enforcement of the law must protect consumers against unreasonable rates. We urge you to pay particular attention to those cable operators who rush through rate increases in anticipation of rate regulation.

Sincerely,

sen. John C. Danforth

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ald M Kirke

Rep. John Dingel

en. Dani N. K. Inouye

F. Hollings

Sen. Slade forton